

SECRET

13 February 1964

MEMORANDUM FOR: Director of Central Intelligence**SUBJECT: Meeting with Representative Clarence Cannon -
12 February 1964**

1. This memorandum is for information only.
2. John Clarke and John Warner delivered to Mr. Cannon on 12 February the letter signed by the DCI to Mr. Cannon dated 8 February 1964 referring to Mr. Cannon's letter to Chairman Hayden concurring in the Senate Appropriations Committee action on the CIA budget request for fiscal 1964. Mr. Cannon inquired if this cut had caused any difficulties. It was explained that some reprogramming had been necessary, deferring certain planned R&D contracts and reducing certain planned activities in the communications field. It was also indicated that as of now it would appear that the cut in the Reserve would not cause serious difficulty based on anticipated requirements.
3. Mr. Cannon commented that this was the first time the Senate Committee had cut the Agency request and clearly indicated that it had not been his desire to cut the Agency budget. Mr. Cannon stated his view that he knew the Agency had always been careful in its use of money and that it had not been in the practice of asking for more than it needed. He wished the DCI to know that if there were any problems for the Agency because of lack of sufficient funds he would like to know about it and he thought some relief could be provided. Mr. Cannon was very strong on this point and repeated it several times saying that the Committee wanted to cooperate with the Agency in every way possible.

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4. As a matter of information, Mr. Cannon was handed a copy of the Stewart Alsop article in the SATURDAY EVENING POST. He inquired if we had authorized this article and I stated that to my knowledge this was not the case. Mr. Cannon asked a number of questions in the substantive intelligence field concerning our ability to keep abreast of the Soviet program in armaments including the anti-missile developments. He also inquired about the release by CIA of information on the Soviet economy. Although I had discussed the background on this with him on a previous occasion, I went through it again and he seemed satisfied.

5. It was indicated to Mr. Cannon that the Director would be happy to meet with the Subcommittee and bring them up to date on various matters at the Subcommittee's pleasure. Mr. Cannon made a note of this and seemed appreciative indicating that he would be in touch with us on this.

6. At the next meeting with the Subcommittee it is suggested that we have available a careful brief on how the first and only cut in the Agency budget affected our activities.

8/27/64
JOHN S. WARNER
Legislative Counsel

Distribution:

Orig - DCI (thru General Counsel and DDCI)

1 - ER

1 - Mr. Clarke

1 - OGC/LC Subject

1 - OGC/LC Chrono.

OGC/LC:JSW:mks (12 Feb 64)